STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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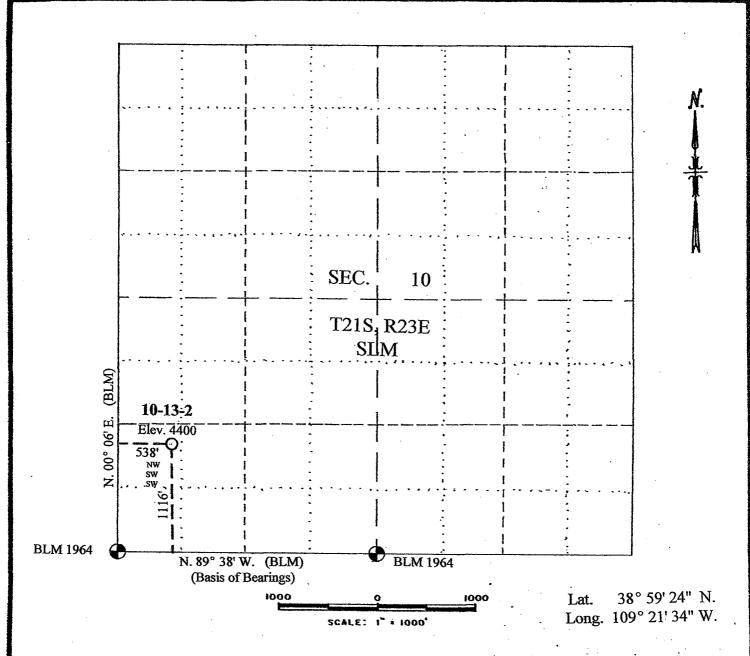
AMENDED REPORT □

					(highligh	it changes)
	APPLICATION FOR P	ERMIT TO	DRILL		5. MINERAL LEASE NO: UTU 030956	6. SURFACE: Federal
1A. TYPE OF WO	DRILL 🚺 REENTER 🗌	DEEPEN [7. IF INDIAN, ALLOTTEE OR	TRIBE NAME:
B. TYPE OF WE	IL: OIL 🗹 GAS 🗌 OTHER	SING	_E ZONE ☐ MU	ILTIPLE ZONE	8. UNIT or CA AGREEMENT N	IAME:
2. NAME OF OPE Running Fo	exator: exes Petroleum, Inc.				9. WELL NAME and NUMBER Cisco 10-13-2	:
3. ADDRESS OF 7060 B. S.		CO 801	•	NUMBER: 889-0510	10. FIELD AND POOL, OR W	LDCAT:
		CO ZIP 8011			Greater Cisco 11. QTR/QTR, SECTION, TOV	MNSHIP, RANGE,
AT SURFACE:	1116' fsl & 538' fwl SW SW	114561	38, ° 109, 3	7 7 6 049	MERIDIAN: SWSW 10 21S	3 23E
AT PROPOSED	PRODUCING ZONE: Same as above	3167331	1 -109.3	3 6 6 791	000000 10 210	, 20L
	MILES AND DIRECTION FROM NEAREST TOWN OR POS				12. COUNTY:	13. STATE: UTAH
	to the North of the town of Cisco, Utal				Grand	
538 ft.	O NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF A		360 Acres	NUMBER OF ACRES ASSIGNED	TO THIS WELL:
	O NEAREST WELL (DRILLING, COMPLETED, OR R) ON THIS LEASE (FEET)	19. PROPOSED D	EPTH:	20. E	BOND DESCRIPTION:	
402 ft.				1,500		0707
	(SHOW WHETHER DF, RT, GR, ETC.):	22. APPROXIMATI 10/18/200	E DATE WORK WILL ST		STIMATED DURATION:	
4400 ft. G	JL	10/10/200			1 days	
24.		D CASING ANI	D CEMENTING F	PROGRAM		
SIZE OF HOLE		SETTING DEPTH	CE	MENT TYPE, QUANTITY	, YIELD, AND SLURRY WEIGHT	
	See Attached A thru G					
						······································
 -						
25.		ATTAC	HMENTS			
	LOWING ADE ATTACKED IN ACCORDANGE VALUE					
VENIFT THE FOR	LLOWING ARE ATTACHED IN ACCORDANCE WITH THE UT	AH OIL AND GAS CON	ISERVATION GENERAL	. RULES:		
✓ WELL PL	AT OR MAP PREPARED BY LICENSED SURVEYOR OR EN	GINEER	COMPLETE I	DRILLING PLAN		
✓ EVIDENO	CE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE	OF WATER	FORM 5, IF C	DPERATOR IS PERSON	OR COMPANY OTHER THAN TH	IE LEASE OWNER
· · · · · · · · · · · · · · · · · · ·	_{PRINT} , Neil D. Sharp		Gov	ologist		
NAME (PLEASE	PRINT) TYOU D. CYCLE		TITLE OF	ologist 1		
SIGNATURE	Nel 1. Sharf		DATE	9/16/0	6	· · ·
(This space for Sta	This space for State use only) Approved by the					
			Gee and Min	ing	RECEIVE	D
API NUMBER AS	SIGNED: 43019-3150				SEP 2 2 200	
		Poter	70-7-7-0	(A)		

Federal Approval of this Action is Necessary

(11/2001)

DIV. OF OIL, GAS & MINING



<u>10-13-2</u>

Located 1116 feet FSL and 538 feet FWL in Section 10, T21S, R23E, SLM.

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.





UDELL S. WILLIAMS

Professional Land Surveyor 449 E. Scenic Dr. (970) 254-0157 Grand Junction, Colorado 81503-1569 Surveying Western Colorado 8 Eastern Utah Since 1953

PLAT OF PROPOSED LOCATION 10-13-2

NWSWSW SEC. 10 T21S, R23E, SLM

SURVEYED BY: USW DATE: 7/31/2006 DRAWN BY: USW DATE: 8/02/2006

September, 2006

Bureau of Land Management Price, Moab and Monticello Field Offices, Utah Application for Permit to Drill On-Site Inspection Checklist

Company Running Fo	oxes Petroleum, Inc.	Well No	Cisco 10-13-2
Location: Sec10, T.		Lease No. UTU-	-030956
On-Site Inspection Date _	2006		

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100 & 43 CFR § 3160), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

- Surface Formation and Estimated Formation Tops: Mancos Shale surface, Dakota Formation marker 663', Cedar Mountain Formation 748', Brushy Basin Member of Morrison Formation 879', Salt Wash Member of Morrison Formation 1189', Entrada Formation 1419'.
- 2. <u>Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered</u>:

Depth/Formation

Expected Oil Zones: 663'/Dakota, 879'/Brushy Basin, 1419'/Entrada
Expected Gas Zones: 663'/Dakota, 748'/Cedar Mtn, 1189'/Salt Wash
Expected Water Zones: Layers in any pre-Mancos formation can be saline aquifers

Expected Mineral Zones: 663'/Dakota (possible thin coal beds)

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential. See Attachment A.

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures: Double ram (pipe and blind) BOP with minimum working pressure rating of 2000 psi equipped with accumulator for remote operation and rotating head/diverter with minimum working pressure rating of 150 psi. BOP will be tested for ten minutes holding 1000 psi prior to drilling through surface casing shoe. See schematic diagram of typical equipment depicted by APD Attachment B

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2 as allowed under the Greater Cisco Area variance dated May 14, 2003. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no

more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

- 4. <u>Casing Program and Auxiliary Equipment</u> -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): 120' new 7" J-55 ST&C 23 ppf (or better) surface casing. 1500' reconditioned 4.5" J-55 LT&C 10.5 ppf (or better) long string casing.
- 5. <u>Cement</u> -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: Surface casing will be cemented to surface with an estimated 50 sacks (including 25% excess) of 15.6 ppg Class A slurry that yields 1.18 cubic feet per sack. The long string will be cemented from TD to 550' with 121 sacks (including 25% excess) of 15.6 ppg Class A slurry yielding 1.18 cubic feet per sack. Cello-flake will be added to control fluid loss.

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Circulating medium will be compressed air with 4-6% KCI water solution injected into the air stream to form mist to stabilize the hole and control dust. Foaming agents will be used as needed to maintain circulation. Excessive fluid flows will be controlled by mixing KCI/gel/polymer mud as needed and the materials will be held on standby in Grand Junction, Colorado for such purposes. 100 bbls of water will be on the location for use as kill fluid. The blooie line will be constructed of 4" minimum diameter pipe that is at minimum 100" in length. The igniter will be a diesel fuel smudge pot.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

7. <u>Coring, Logging and Testing Program</u>: No coring tests are planned, but open hole logging is planned.

Initial opening of drill stem test tools will be restricted to daylight hours.

- 8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal temperature conditions or occurrences of hydrogen sulfide are known to exist in the Greater Cisco Field. Zones of lost circulation are not expected, and are unlikely to be recognized with the circulation system being used. The pressure gradient is normal to subnormal. Formation pressure through the depths and formations to be penetrated at this location will be no greater than 580 psi.
- 9. Any Other Aspects of this Proposal that should be Addressed: None.

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location is depicted by APD Attachment C.
- b. Location of well is 8 miles (+/-) Southwest of Exit 214, see Attachment A & C.
- c. The Grand County Road Department will be made aware of the use of county roads required by this proposal.
- d. Plans for improvement and/or maintenance of existing roads: Will water roads if conditions warrant for control of fugitive dust or clear mud during wet conditions.

2. Planned Access Roads:

- a. Location (centerline): Well pad lies offset 50 ft. to the South of the CP 1-5 well.
- b. Length of new access to be constructed: 50 ft. to the South of the CP 1-5 well.
- No improvements needed on the county roads and Running Foxes Petroleum will maintain lease roads on an as-needed basis.
- d. Maximum total disturbed width: New roads to be constructed approximately 15 to 18 ft. wide for drilling. For production, the roads will be constructed, upgraded, and maintained with a width of 25 ft. or less.
- e. Maximum travel surface width: 14 to 18 feet.
- f. Maximum grades: Less than 6%
- g. Turnouts: Road intersections and well pads would be utilized for turnouts.
- h. Surface materials: Native soils. If the roads will be used by tanker trucks during wet, winter conditions, the road will be surfaced with rock materials.
- Drainage (crowning, ditching, culverts, etc): No drainage control will be provided during drilling. During production, water turnouts and/or roadside ditches will be utilized for drainage and erosion control.
- j. Cattleguards: None.
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: N/A.
- I. Other: N/A.

Surface disturbance and vehicular travel will be limited to the approved location and

access road. Any additional area needed must be approved by BLM in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the BLM.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. <u>Location of Existing Wells</u> -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: APD Attachment D depicts the locations of wells near the location. Within a one mile radius there are 11 producible oil and/or gas wells. There are no water, injection or disposal wells operating in that area and there are no drilling wells.

4. Location of Production Facilities:

- a. On-site facilities: If production of oil and gas is established, the on-site facilities will include wellhead, 3-phase separator, production storage tank, water evaporation pit and gas meter with enclosure. See APD Attachment E for the layout of the on-site facilities.
- b. Off-site facilities: None.
- c. Pipelines: 2" gas production pipeline currently exists.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Shades that match native soils in the area.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Commercial sources such as Ute Water in Mack, Colorado or the Thompson Special Service District in Thompson, Utah.

A temporary water use permit for this operation could be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303 but will not be necessary.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): On site native soils and substrate.

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The blooie and reserve pits will be constructed in Mancos Shale, a bentonite-rich aquitard.

The blooie pit will be located at least 100' from the wellhead, and the pit walls will be sloped at no greater than 1 to 1.

The blooie pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

- 8. Ancillary Facilities: Portable toilet.
- Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See APD Attachment F. No significant cuts or fills will be required for proposed operations.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from the East as depicted by APD Attachments E and F.

The blooie line will be located at a 30 degree angle to the drilling rig, arranged in a straight path with its outlet at least 100 feet from the well head where a diesel smudge pot will serve as an automatic igniter. See APD Attachment F.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, water will be injected into the compressed air stream used for the well circulation system and the blooie line effluent will be directed toward a high earth bank at the opposite end of the pit.

10. Plans for Restoration of the Surface:

The top two inches of topsoil material will be removed from the location and stockpiled separately on the margins of the location. See APD Attachment F.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between October 1 and December 15, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: Indian ricegrass 4 pounds per acre, Fourwing saltbush 2 pounds per acre and Shadscale 2 pounds per acre.

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: N/A.

11. <u>Surface and Mineral Ownership</u>: The surface and minerals are Federally owned.

12. Other Information:

a. Archeological Concerns: Inventory will not be made of any resources in the disturbed area of the well site and upgraded road.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Threatened and Endangered Species Concerns: None.
- c. Wildlife Seasonal Restrictions: None.
- d. Off Location Geophysical Testing: None.

e. Drainage crossings that require additional State or Federal approval: None.

f. Other: N/A.

13. <u>Lessee's or Operator's Representative and Certification</u>

Representative:

Name: Neil D. Sharp

Title: Geologist

Address:

7060B S.Tucson Way

Centennial, Co. 80112

Phone No.:

(303) 617-7242

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements make in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Running Foxes Petroleum, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM bond no. UTB-000207. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature

Title

-8-

Running Foxes Petroleum, Inc. 7060B S. Tucson Way Centennial, Colorado 80112

Managing Member: Greg Simonds (970) 361-6311 Consulting Geologist: Neil D. Sharp (303) 910-6751

Cisco 10-13-2 Drilling Plan

1116' fsl, 538' fwl (NW SW SW) Sec. 10, T21S, R23E, SLM, Grand County, Utah

Location access (Refer to Attachment C & F): From Exit 214 I-70 (wb), proceed north on Book Cliffs Road (paved) for 200 feet, turn left toward west on Danish Flat county road and proceed northwesterly for 3/10 mile, turn left toward south onto graded dirt road and proceed 3.1 miles on this road. At the fork turn right and proceed until you come to a T intersection. At this point turn left toward the interstate. There will be another fork in the road about 2/10 of a mile on this road. Take it to the right and stay to the right until you come to another fork. At this fork take another right and stay to the right and it will lead you to the staked site. This is a total of about 8 miles altogether. Exit 214 is 49 miles northeast of Moab, UT via US 191, UT 128 and county road through Cisco, UT, 64 miles from Moab via US 191 and I-70, 47 miles west of Grand Junction, CO via I-70 and 153 miles from Vernal, UT via US 40 through Rangely, CO on CO 64, over Douglas Pass on CO 139 to Loma, CO and I-70.

Projected tops:	Mancos Shale Dakota Fm marker Cedar Mountain Fm Morrison Fm	Surface 663' 748'	(Elevation GL 4400') Oil & natural gas (possible water) Natural gas (possible water)
	Brushy Basin Mbr Salt Wash Mbr	879' 1189'	Oil and natural gas Natural gas
	Entrada Fm	1419 1500'	Oil

Construction program:

- Air, mist and/or foam circulation using 5-7% KCl water injection below Dakota
- Minimum 1500 psi rated BOP with 500 psi rated diverter and 100' min. 4" blooie line to pit
- \$\times 11" hole to 120' below GL elevation to set 7" 23 ppf, J-55 (or better) surface casing with Class A cement circulated back to surface. Estimate 50 sacks (2.2 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- ⇔ 6 ½ "hole to 1350' below KB to set 4.5" 10.5 ppf, J-55 (or better) long string and cement with Class A slurry from TD to 400'. Estimate 121 sacks (5.3 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- Run 2 3/8" tubing for completion testing

Operations will be conducted during daylight hours only except possibly upon reaching TD, running the long string and cementing same.

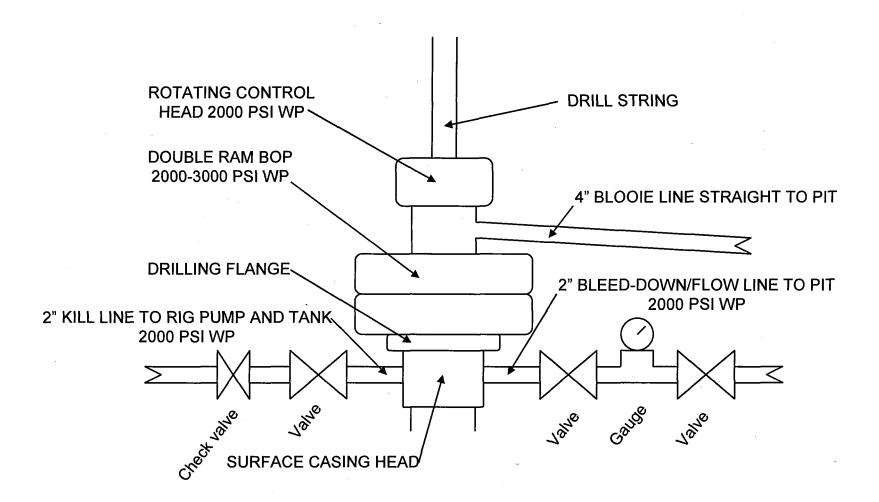
Casing decision will be made based upon drilled shows and no open-hole logs will be run.

Well will be killed with 5-7% KCl water or KCl/gel/polymer mud to run long string.

Depending upon circulation and gas/fluid influx conditions, a contingency plan to advance the hole with mud below the Cedar Mountain Fm will be in place.

Pressure control system for Greater Cisco Field Operations

In compliance with Greater Cisco Area variance from Onshore O&G Order No. 2 dated May 14, 2003 Not drawn to scale



7 an 435-820-8258 Water

High Desert Excavation

greg Semneons

NOTICE OF ASSESSMENT

GREEN RIVER CANAL CO., - GREEN RIVER, UTAH

Notice is hereby given that at a meeting of the board of directors held on October 69, 2065, an assessment of \$12.00 per share was levied on the capital and/or secondary stock of the corporation payable at the office of the undersigned Secretary at Green River, Utah on or before: NOVEMBER 30, 2005

At said meeting, pursuant to Article XV, of the Articles of Incorporation of the Company, there was levied a minimum service charge of \$50.00 against each stockholder for the year 2005.

Any stock upon which assessment and/or service charge may remain unpaid on NOVEMBER 30, 2905, will be delinquent and advertised for sale at public auction and unless payment is made before will be sold on December 31, 2005 to pay said delinquencies together with the cost of advertising and expense of sale.

Green River, Utah

Total Shares

Stock Assessment \$ 12.00

Service Charge

\$ 50.00

TOTAL DUE

\$ 62.00

Board of Directors Green River Canal Company:

Glenn Baxter

Von Bowennan

Edward Hansen

Dean King

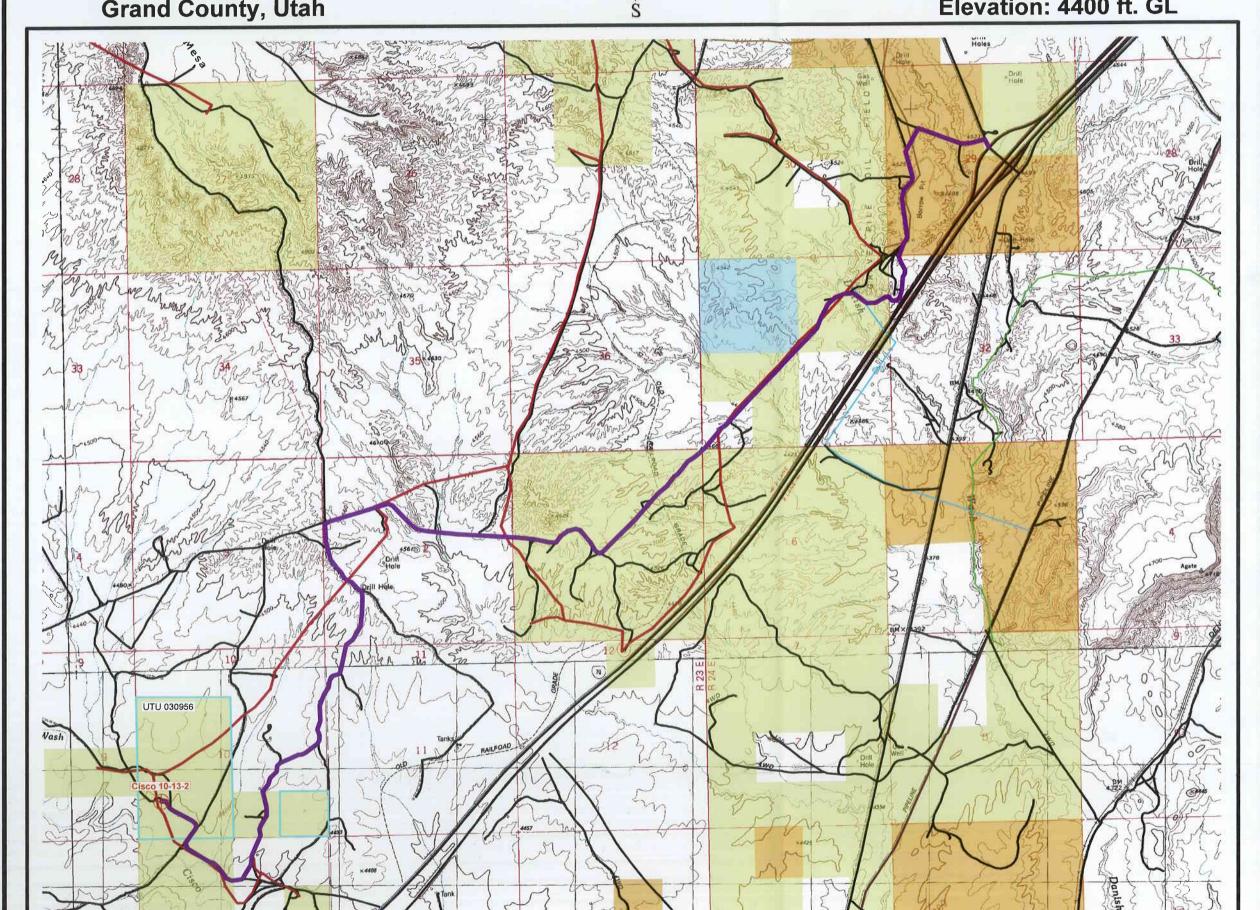
Tim Vetere

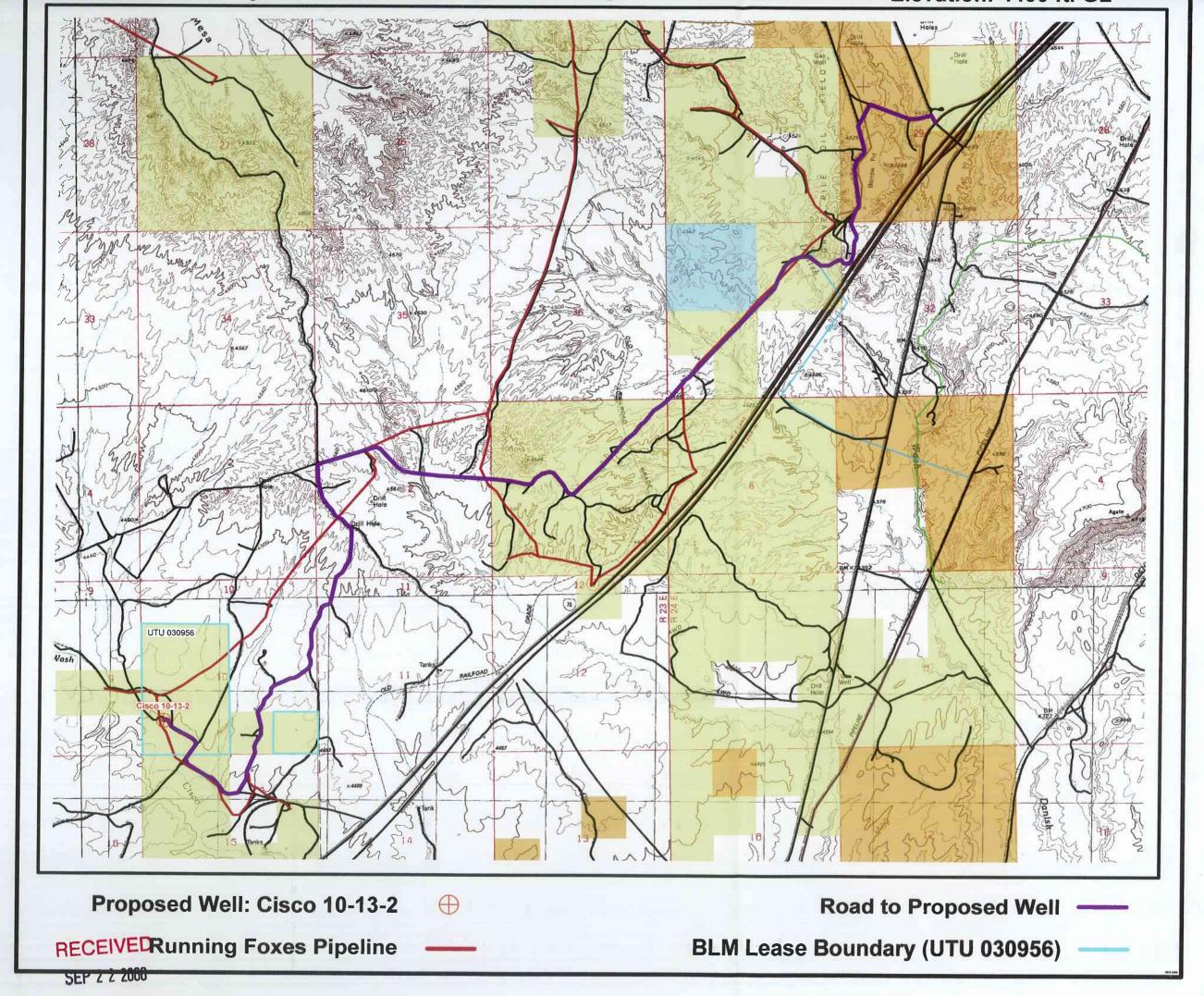
DUE NO LATER THAN NOV 30

Running Foxes Petroleum
Cisco Springs Project
Grand County, Utah



Cisco 10-13-2 S10 T21S R23E 1116' fsl & 538' fwl, SW SW Elevation: 4400 ft. GL





P & A Well Symbol

→ Dry Hole Well Symbol

■ Abandoned Oil Well Symbol

☆ Gas Well Symbol

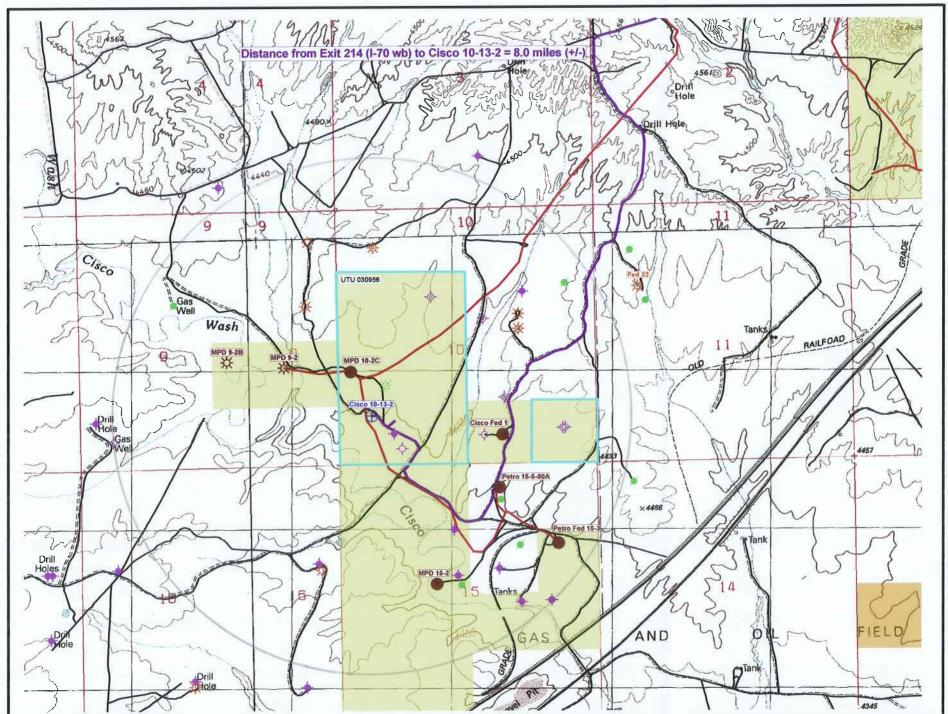
※ Abandoned Gas Well Symbol

Running Foxes Petroleum Cisco Springs Project Grand County, Utah

Proposed Well: Cisco 10-13-2



Cisco 10-13-2 S10 T21S R23E 1116' fsl & 538' fwl, SW SW Elevation: 4400 ft. GL



Oil Well Symbol

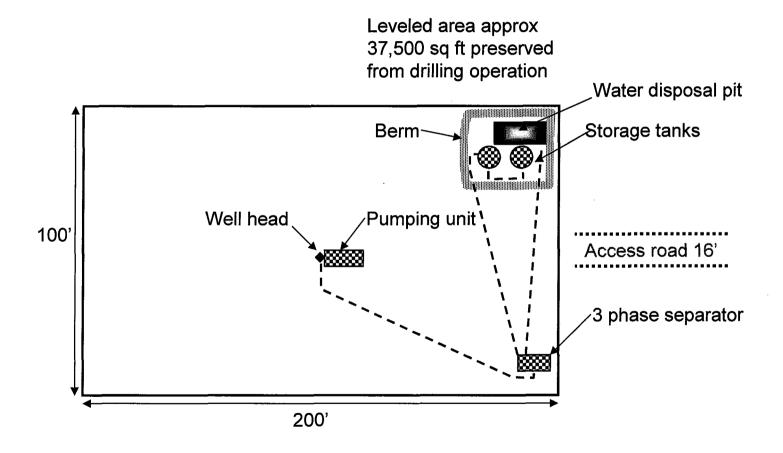
Road to Proposed Well

BLM Lease Boundary (UTU 030956)

Equipment Layout for Three Phase Production

Scale: 1"=50'

N



Drilling Operation Pad & Equipment Layout

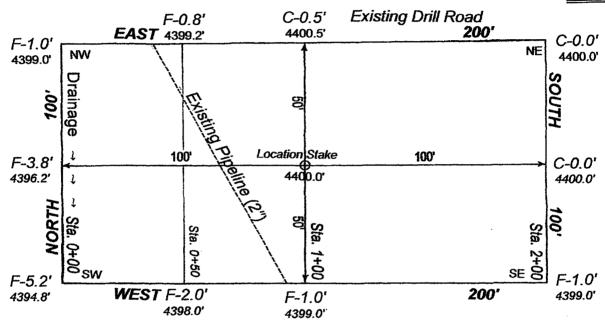
Propetroco, Inc. Number 1 Rig or Equivalent Mobile Drilling Rig

Top Soil Windrow Top Soil Windrow Top Soil Windrow 200 feet Top Soil Windrow Reserve Pit Water Tank Steel Mud Pits Top Soil Windrow Access Window Pipe Trailer Aux Mud Pump **Drill Rig** Casing Racks Water Truck Dog House/Tools Access Window □ Portable Toilet 100 feet 100 feet Top Soil Windrow Access Window **Top Soil Windrow** Access Window

♦ Well Head Scale: 1 inch=50 feet Gross possible disturbed area 170 x 270 feet Access roads typically 16 feet to 18 feet wide with maximum disturbed width 25 feet Cut and Fill Diagrams (not applicable)



FIGURE #1



FINISHED GRADE ELEV. AT LOC STAKE = 4400.0'

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, CO 80112



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM RED MOTES OF ACREAL SURVEYS MADERY ME OR INDER MY SUPERIESON AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY INTOWALEDGE AND BELIEF.





UDELL S. WILLIAMS

Professional Land Surveyor 449 E. Scenic Or. (970) 254-0157 Grand Junction, Colorado 81503-1569

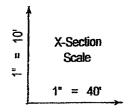
TYPICAL CROSS SECTIONS FOR

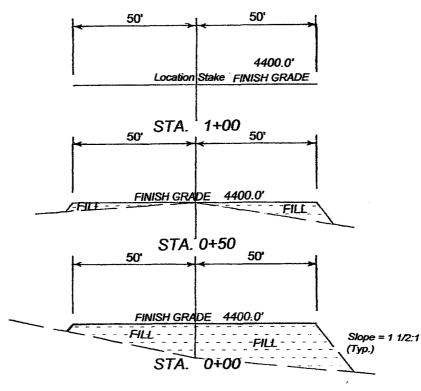
10-13-2

SECTION 10, T21S, R23E, SLM 1116' FSL 538' FWL

SURVEYED BY:	USW	DATE	9/02/2006
DRAWN BY:	USW	DATE:	9/08/2006

FIGURE #2





APPROXIMATE YARDAGES

TOTAL CUT = 0 Cu. Yds. FILL = 488 Cu. Yds

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, CO 80112



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FREID MOTES OF ACTUAL SHRIVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.





UDELL S. WILLIAMS

Professional Land Surveyor 449 E. Scenic Dr. (970) 254-0157 Grand Aunction, Colorado 54593-1569

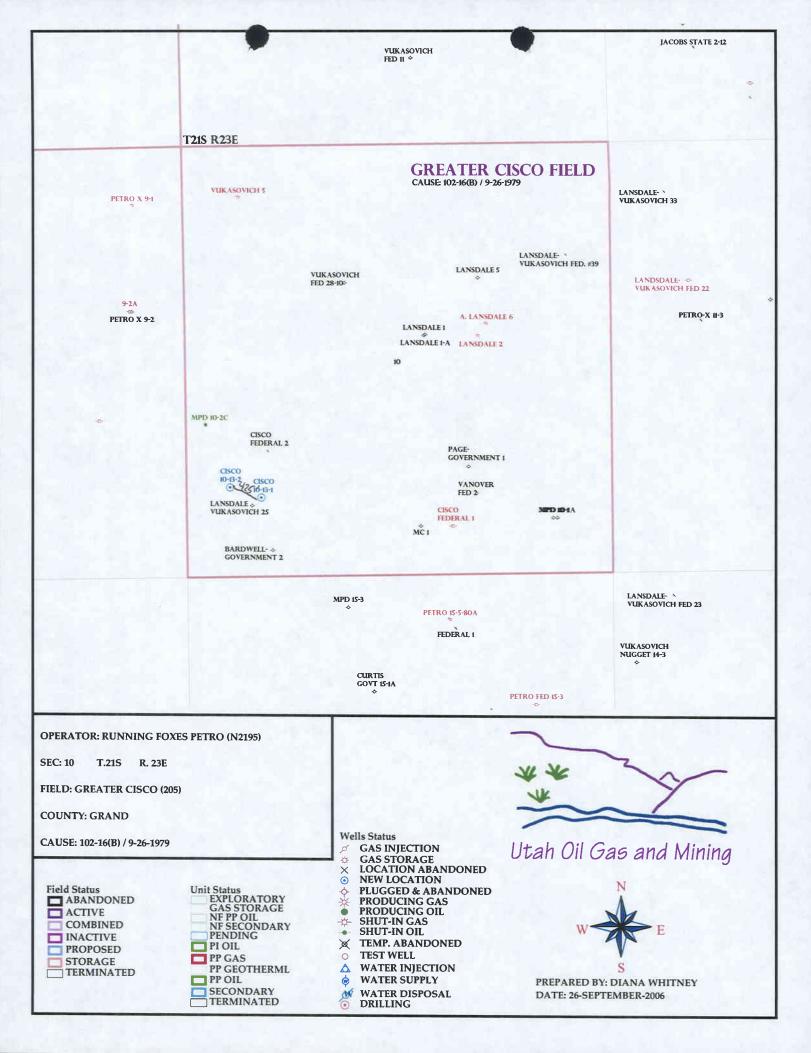
TYPICAL CROSS SECTIONS FOR

10-13-2

SECTION 10, T21S, R23E, SLM 1116' FSL 538' FWL

SURPLEVED BY: USW DATE: 9/02/2006
DRAWN BY: USW DATE: 9/08/2006

APD RECEIVED: 09/22/2006	API NO. ASSIGNED: 43-019-31501
WELL NAME: CISCO 10-13-2 OPERATOR: RUNNING FOXES PETROLEUM (N2195) CONTACT: NEIL SHARP	PHONE NUMBER: 720-889-0510
PROPOSED LOCATION: SWSW 10 210S 230E SURFACE: 1116 FSL 0538 FWL BOTTOM: 1116 FSL 0538 FWL COUNTY: GRAND LATITUDE: 38.99005 LONGITUDE: -109.3668 UTM SURF EASTINGS: 641452 NORTHINGS: 43167 FIELD NAME: GREATER CISCO (205 LEASE TYPE: 1 - Federal LEASE NUMBER: UTU 030956 SURFACE OWNER: 1 - Federal	
RECEIVED AND/OR REVIEWED: Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. UTB 000207) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. MUNICIPAL) RDCC Review (Y/N) (Date:) Fee Surf Agreement (Y/N) Intent to Commingle (Y/N)	LOCATION AND SITING:
STIPULATIONS: 1- Eden Opprant	





State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

September 27, 2006

Running Foxes Petroleum, Inc. 7060 B S. Tucson Way, Centennial, CO 80112

Re: <u>Cisco 10-13-2 Well, 1116' FSL, 538' FWL, SW SW, Sec. 10, T. 21 South, R. 23 East, Grand County, Utah</u>

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31501.

Sincerely,

Gil Hunt

Associate Director

Kil HA

pab Enclosures

cc: Gr

Grand County Assessor

Bureau of Land Management, Moab District Office

Operator:	Running Foxes Petroleum, Inc.				
Well Name & Number Cisco 10-13-2					
API Number:	43-019-31501				
Lease:	UTU-030956				
Location: <u>SW SW</u>	Sec. 10 T. 21 South	R. 23 East			

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

FORM 9

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

	DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-030956
SUNDRY	NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill n drill hortzontal la	ow wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to lerals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL	GAS WELL OTHER	8. WELL NAME and NUMBER: Cisco 10-13-2
2. NAME OF OPERATOR:	lno.	9. API NUMBER:
Running Foxes Petroleum 3. ADDRESS OF OPERATOR:	, ITIC.	430193150 7 10. FIELD AND POOL, OR WILDCAT:
7060 B South Tucson Way 4. LOCATION OF WELL	Centennial STATE CO ZIP 80112 (720) 889-0510	Greater Cisco
	sl & 538' fwl NW SW SW	COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RAN	GE, MERIDIAN: SWSW 10 21S 23E	STATE: UTAH
11. CHECK APPE	ROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
☐ NOTICE OF INTENT	ACIDIZE DEEPEN	REPERFORATE CURRENT FORMATION
(Submit in Duplicate)	ALTER CASING FRACTURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
	CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
SUBSEQUENT REPORT	CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE
(Submit Original Form Only)	CHANGE WELL NAME PLUG BACK	WATER DISPOSAL
Date of work completion:	CHANGE WELL STATUS PRODUCTION (START/RESUME)	WATER SHUT-OFF
	CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	OTHER: Permit Extension
12 DESCRIPE PRODOSED OR CO	MPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volum	
date the permit to drill issu 17, 2008 for this same per	requests an extension for the permit expiration date refering to the ed by the State of Utah expired on September 27, 2007. The BL mit. Running Foxes Petroleum requests that the State of Utah expired date issued by the BLM. If there are any questions please conthis form. Approved by Utah Division Oil, Gas and Management of the permit expiration date refering to the ed by the BLM. The BLM is a september 27, 2007. The BLM is a	M issued an expiration date of April stend the permit expiration date for tact Running Foxes Petroleum via
NAME (PLEASE PRINT) Neil D. Sh	DATE 10/3/2007	
(This space for State use only)		RECEIVED
2	NIGIS: 10-11-07	OCT 0 5 2007

(5/2000)

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-3150Z Well Name: Cisco 10-13-2 Location: 1116'fsl & 538' fwl NWSW SW S10 T21S R23 Company Permit Issued to: Running Foxes Petroleum Date Original Permit Issued: 9/27/2006	
The undersigned as owner with legal rights to drill on above, hereby verifies that the information as submitt approved application to drill, remains valid and does	ed in the previously
Following is a checklist of some items related to the a verified.	application, which should be
If located on private land, has the ownership changed agreement been updated? Yes ☐ No ☑	l, if so, has the surface
Have any wells been drilled in the vicinity of the properthe spacing or siting requirements for this location? Y	
Has there been any unit or other agreements put in p permitting or operation of this proposed well? Yes□N	
Have there been any changes to the access route incof-way, which could affect the proposed location? Ye	
Has the approved source of water for drilling changed	d? Yes□No☑
Have there been any physical changes to the surface which will require a change in plans from what was dievaluation? Yes□No☑	
Is bonding still in place, which covers this proposed w	vell? Yes⊠No□
1) Allan	10/3/2007
Signature	Date
Title: Geologist	
Representing: Running Foxes Petroleum	DE050 mp

OCT 0 5 2007

STATE OF UTAH	FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-030956
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL GAS WELL OTHER OTHER	8. WELL NAME and NUMBER: CISCO 10-13-2
2. NAME OF OPERATOR: RUNNING FOXES PETROLEUM, INC.	9. API NUMBER: 4301931501
3. ADDRESS OF OPERATOR: 7060-B South Tucson Way CITY Centennial STATE CO ZIP 80112 PHONE NUMBER: (720) 889-0510	10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1163' FSL & 538' FWL NW SW SW QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 10 21S 23E 6	COUNTY: Grand STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION NOTICE OF INTENT (Submit in Duplicate)	10. reflect this same date above. re any questions please cal the
NAME (PLEASE PRINT) Kent Keppel SIGNATURE ATTITLE Landman DATE 12/9/2008	
(This space for State use only) COPY SENT TO OPERATOR	DECE V 5 1 1 1 1 1 1 1 1 1

(5/2000)

(See Instructions on Reverse Side)

DIV OF OIL, GAS & MINING

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-31501 Well Name: CISCO 10-13-2
Location: 1116'FSL & 538'FWL NWSWSW S 10 T21S R23E
Company Permit Issued to: Running Foxes Petroleum, Inc.
Date Original Permit Issued: 9/27/2006
24.0 011ga. 1 011111 100 404.
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No☑
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes⊟ No⊠
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No☑
Has the approved source of water for drilling changed? Yes□No☑
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
ls bonding still in place, which covers this proposed well? Yes⊠No□
First Rind 12/9/2008
Signature Date
Title: Landman
Representing: Running Foxes Petroleum, Inc.

STATE OF UTAH

	TMENT OF NATURAL RESOURC		_		
DIVISIO	ON OF OIL, GAS AND MINI	ING		5. LEASE DESIGNATION AND SER UTU 030956	AL NUMBER:
SUNDRY NOTI	ICES AND REPORTS	ON WELL	S	6. IF INDIAN, ALLOTTEE OR TRIBE	NAME:
Do not use this form for proposals to drill new wells, sig	gnificantly deepen existing wells below curren APPLICATION FOR PERMIT TO DRILL form	nt bottom-hole depth, in for such proposals.	reenter plugged wells, or to	7. UNIT or CA AGREEMENT NAME:	·
1. TYPE OF WELL OIL WELL 🗸	GAS WELL OTHER			8. WELL NAME and NUMBER: Cisco 10-13-2	
2. NAME OF OPERATOR:				9. API NUMBER:	
Running Foxes Petroleum				4301931501	
ADDRESS OF OPERATOR: 7060 B South Tucson Way CITY Centen	nial _{STATE} CO _{ZIP} 80		HONE NUMBER: 720) 889-0510	10. FIELD AND POOL, OR WILDCA Greater Cisco	Γ:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1116' fsl & 53	8' fwl			COUNTY: Grand	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDI	IAN: SWSW 10 21S 23I		Charles Asserting to the Control of	STATE:	
				UTAH	
	ATE BOXES TO INDICATE			RT, OR OTHER DATA	
TYPE OF SUBMISSION			E OF ACTION		
☐ NOTICE OF INTENT	IDIZE [DEEPEN		REPERFORATE CURRENT	
 	TER CASING [FRACTURE TR		SIDETRACK TO REPAIR W	ELL
	SING REPAIR	NEW CONSTR	UCTION	TEMPORARILY ABANDON	
	IANGE TO PREVIOUS PLANS	OPERATOR CH	HANGE	TUBING REPAIR	
	ANGE TUBING	PLUG AND ABA	ANDON	VENT OR FLARE	
SUBSEQUENT REPORT (Submit Original Form Only)	ANGE WELL NAME	PLUG BACK		WATER DISPOSAL	
Date of work completion:	ANGE WELL STATUS	PRODUCTION	(START/RESUME)	WATER SHUT-OFF	
<u> </u>	MMINGLE PRODUCING FORMATIONS	RECLAMATION	OF WELL SITE	✓ OTHER: Permit Ren	ewal
co	NVERT WELL TYPE	RECOMPLETE	- DIFFERENT FORMATION		
12. DESCRIBE PROPOSED OR COMPLETED	O OPERATIONS. Clearly show all perf	tinent details includ	ding dates, depths, volume	s, etc.	
Running Foxes Petroleum reques A year extension from the renewa	its the renewal of its origina	l permit to dri	ill for the aforement	tioned well in Grand Co	unty, Utah.
Petroleum via the information pro	vided.	re arry questi	ons or inquiries, pie	ease contact Running F	oxes
•					
attached: Permit Extension Valid	ation Form	Approved	l by the		
		Utah Divi	ision of		
		Oil, Gas an			
		•			
	Dat	e 10 -	14-09 a		
COPY SENT TO OPE	ERATOR				
Date: 10 · 19 · 2	2009 By:	Lade	LAM		
9 Initials: K.	5	_	\mathcal{M}	-	
No. 1.			•		
NAME (PLEASE PRINT) Neil D. Sharp	7	TITLE	Geologist		
SIGNATURE K. M. O	4,		10/13/2009	 	
OIGHTURE		DATE			
(This space for State use only)			2	RECEIVED	

OCT 1 4 2009



Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

· · · · · · · · · · · · · · · · · · ·	019-31501	
	sco 10-13-2 16' fsl & 538' fwl; SW SW	· \$10 T21\$ R23F
Company Permi		g Foxes Petroleum
Date Original Pe		•
above, hereby ve	rifies that the informa	rights to drill on the property as permitted ation as submitted in the previously valid and does not require revision.
Following is a cheverified.	ecklist of some items	related to the application, which should be
•	ite land, has the own updated? Yes⊡No⊡	ership changed, if so, has the surface
		nity of the proposed well which would affect this location? Yes⊟ No⊠
	ny unit or other agree ration of this propose	ements put in place that could affect the discussion di discussion discussion discussion discussion discussion discussio
		access route including ownership, or right- ed location? Yes□No☑
Has the approved	source of water for	drilling changed? Yes□No☑
Have there been a which will require evaluation? Yes E	a change in plans fro	s to the surface location or access route om what was discussed at the onsite
Is bonding still in	olace, which covers t	his proposed well? Yes ☑No ☐
NITH	They	10/13/2009
Signature		Date
Title: Geologist		
Representing: R	unning Foxes Petroleum	RECEIVED
		OCT 1 4 2009



RFP Cover Letter	R	=P	Cover	Letter
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RE: Information sent to the State of Utah-DOGM via FedEx on October 13, 2009.

*This information is requested to be confidential for up to one year.

Reports:

Form 9 & Permit Extension Validation Form for Cisco 10-13-2 (Revision)

nds...

RECEIVED

OCT 1 4 2009

DIV. OF OIL, GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 7, 2010

Running Foxes Petroleum 7060 B South Tucson Way Centennial, CO 80112

Re:

APD Rescinded - Cisco 10-13-2, Sec. 10, T.21S, R.23E

Grand County, Utah API No. 43-019-31501

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 27, 2006. On October 10, 2007, December 9, 2008 and October 14, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 7, 2010.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc:

Well File

Bureau of Land Management, Moab

